

Sino Biopharmaceutical Limited

Responsible Artificial Intelligence Policy

The Policy is formulated to standardize the deployment of Artificial Intelligence (hereinafter referred to as “AI”) technologies within Sino Biopharmaceutical Limited (hereinafter referred to as “the Company”). It aims to drive safe, compliant, prudent, transparent and low-carbon AI adoption, mitigate associated risks, and align with the Group’s operational realities.

1. Applicability

The Policy applies to Sino Biopharmaceutical Limited and all its subsidiary member companies.

2. Basic Principles

The Company adheres to the core principles of lawfulness and compliance, human-centric harmony, safety and controllability, privacy respect, fairness and impartiality, transparency and explain ability, as well as low-carbon sustainability. The Group balances AI deployment and risk prevention to empower high-quality corporate development through AI.

3. Human-Centric Harmony

All AI deployments of the Company shall conform to universal human values and ethical norms, with full respect for human rights as a fundamental premise. The Group promotes harmonious human-machine collaboration and underpins its development philosophy of “Science for a healthier world”.

4. Cybersecurity & Information Security

All AI systems, models, tools, application programming interfaces (APIs) and affiliated services are incorporated into the Group’s cybersecurity and information security management system. The Company strengthens access governance, identity authentication, access permission control, security monitoring and emergency response protocols.

For third-party AI platforms, models and services procured or adopted via partnerships, the Company conducts rigorous oversight over their cybersecurity, data security and operational stability to mitigate information security risks arising from AI implementation.

5. Privacy Protection

The Company respects and protects data privacy, personal information and trade secrets generated throughout AI development and utilization lifecycles. The Group strictly complies with national laws, regulations and regulatory requirements governing data security and personal information protection, and enforces robust governance and protective controls for relevant data.

No personal information, sensitive data, trade secrets, undisclosed operational information or other legally protected data shall be input into external AI tools or third-party models without authorized consent.

6. Fairness and Impartiality

The Company actively identifies risks of bias, discrimination and misleading outcomes embedded within AI datasets, models and generated outputs. All AI projects shall undergo risk assessment and tiered risk management, with stricter governance imposed on higher-risk tiers.

For AI use cases that may impair the legitimate rights and interests of employees, customers, patients, suppliers, business partners and other stakeholders, the Company enforces rigorous prior assessment and rational deployment. Manual review and bias correction mechanisms shall be implemented where necessary to eliminate unfair outcomes stemming from flawed AI outputs.

7. Transparency and Explain ability

The Company prioritizes transparency and explain ability across all AI applications. Appropriate labeling, explanatory notes and record-keeping mechanisms shall be deployed based on business scenarios for AI-generated content, AI-aided analytical results and key deliverables produced with AI involvement.

AI outputs lacking reasonable supporting evidence, demonstrating logical anomalies or defying effective technical explanation shall be applied with extreme caution and shall not serve as final conclusive grounds for decision-making.

8. Low-Carbon Sustainability

The Company advocates balanced management of resource efficiency and environmental impacts throughout AI development and utilization. On the premise of meeting safety, compliance, quality and business requirements, the Group prioritizes AI models, platforms, service vendors and data center solutions featuring superior energy efficiency, lower resource consumption and limited environmental footprint. Reasonable model selection, moderate API invocation and continuous usage optimization are encouraged to reduce the overall ecological footprint of AI operations.

9. Prohibited AI Deployments

The Company prohibits the development, deployment and utilization of any AI systems or applications falling under the following categories:

- i. Systems designed to manipulate, induce or deceive individuals to alter their independent judgment and behaviors;
- ii. Systems that exploit the vulnerabilities of specific groups to mislead, improperly influence or extract unfair benefits from such groups;
- iii. Systems used for social scoring, social ranking or differential treatment based on unjustified criteria;
- iv. Systems that conduct biometric identification, facial recognition surveillance or other biometric monitoring activities without legal authorization;
- v. Any other AI systems and applications that contravene applicable laws, regulatory requirements, ethical standards and internal corporate policies.

10. Governance of AI Application Boundaries

The Company advocates reasonable, moderate and prudent AI deployment with clearly defined application boundaries. AI shall not exceed authorized scope to intervene in critical matters requiring independent human judgment, nor shall it be deployed in high-risk or sensitive scenarios without effective control frameworks. The Company delineates clear applicable scope, usage restrictions and governance requirements for AI tools corresponding to distinct business scenarios.

Mandatory human-in-the-loop and manual intervention mechanisms shall be retained for all critical matters. For activities involving material business decisions, financial disclosures, compliance judgments, quality and safety oversight, medical and healthcare affairs, legal matters and other high-stakes sensitive workstreams, AI-generated outputs shall only serve as auxiliary reference materials and shall never replace professional human evaluation or final decision-making authority. The Company reserves the right to manually review, verify, revise, suspend or terminate AI system operations, outputs and deployments on a scenario-specific basis.

11. Accountability Implementation and Responsibility Governance

The Group establishes a dedicated AI accountability framework with clearly segregated responsibilities for business departments, technical support teams and functional governance units, ensuring full traceability, manageability and accountability for all AI-related activities.

Frontline business departments bear primary accountability for the compliance, appropriateness and application of AI outputs within their respective workflows. Relevant functional departments undertake technical governance, security assurance, compliance review and ongoing supervision per their assigned mandates. Disciplinary accountability shall be enforced in accordance with internal policies for unauthorized AI usage or adverse incidents caused by inadequate governance.

12. Objection and Reconsideration Mechanism

Where AI-generated outputs or AI-aided decisions exert material adverse impacts on staff, users or other affected third parties, relevant stakeholders may submit formal objections or reconsideration requests in accordance with applicable internal rules. The Company will conduct manual reviews on a case-by-case basis and adopt remedial measures including explanatory disclosures, result revision, suspension of AI deployment and other necessary corrective actions as appropriate.

13. Training and Continuous Improvement

Aligned with business expansion, technological advancement and evolving regulatory standards, the Group continuously refines its AI governance framework and delivers regular training covering AI compliance, cybersecurity, ethical norms and responsible AI utilization to strengthen employee awareness and standardized AI operation capabilities. All identified defects, risks and deficiencies arising from AI deployment shall be promptly remediated, optimized and iteratively improved.

14. Supplementary Provisions

The Policy has been reviewed and approved by the ESG Committee of the Company's Board of Directors. The Board ESG Committee bears overall accountability for Policy enforcement, ongoing supervision and periodic review, and provides guidance for Policy revisions. Relevant functional departments are responsible for on-site implementation, interpretation and day-to-day administration of the Policy in accordance with their respective mandates.

The Policy shall take effect upon the date of issuance.